



MEMORANDUM

September 28, 2004

TO: CRWCD BOARD OF DIRECTORS

FROM: CHRIS TREESE

RE: **BALLOT MEASURES**

This November's general election ballot will include six statewide initiatives and referenda. This memo provides a brief review of these proposals. Staff is not recommending Board action on any of the questions.

Perhaps more interesting are the ballot issues that were once proposed but for various reasons will not appear on the ballot this year. These include any changes to TABOR or Amendment 23, the school finance amendment. Similarly, Douglas Bruce abandoned his effort to once again place an "Amendment 21-type" question before the voters. Board members will recall Amendment 21 from 2002 which would have required each tax bill to decrease by \$75 the first year and increasing the reduction by additional annual increments of \$75. This would run the River District's general fund to near zero by year three.

Amendment 34:

This citizen's initiative would add a new section to the state constitution with a repeal of HB 03-1161. With some exceptions, this amendment removes limitation on damages a property owner can collect, except for punitive damages, for construction defects. This amendment also restricts the types of laws concerning construction liability the legislature can pass in the future. The River District did not take a position on HB 1161 in 2003.

Amendment 35:

This initiative would amend the state constitution to require an increase in taxes on cigarettes and other tobacco products sold in the state. State tax on a pack of cigarettes would increase from \$0.20 to \$0.84 and double to 40% the tax rate on other tobacco products. Revenues would be dedicated

to health care, tobacco education, and smoking cessation programs. Amendment 35 specifies that revenues collected by the tax increase are exempt from TABOR.

Amendment 36:

This citizen's initiative would amend the state constitution to allocate Colorado's nine electoral votes consistent with the popular vote for president. Colorado's electoral votes would be divided in whole numbers among the competing candidates according to the popular vote. Currently, in Colorado as in 48 other states, all the electoral votes go to the winner of the popular vote. One element of this proposal sure to elicit legal action should it pass is the requirement that this provision applies to the November 2004 presidential election.

The proposal also adds procedures and time lines to the state constitution for certifying election results and recounts related to the vote on this proposal.

Amendment 37:

This citizen initiated question is a proposed amendment to Colorado's Revised Statutes. It requires larger (more than 40,000 customers) Colorado utilities to generate or purchase a minimum percentage of their electric power from renewable energy resources beginning in 2007 with 3%, increasing to 10% by 2015. It defines the renewable energy resources that may be used to meet the requirement. Through our efforts on HB 1273 during this past legislative session, we were successful in getting small (less than 10MW) hydroelectric included as a renewable energy source in this ballot question. Amendment 37 requires that at least 4% of the renewable energy be generated by solar technologies. Additionally, this amendment limits to 50 cents per month the amount that an average residential electric bill can increase as a result of the requirements. Roughly 2% of electricity in Colorado is currently generated by renewable sources.

Referendum A:

The General Assembly put this proposed change to the constitution on the November ballot proposing to amend the state personnel system. It changes the hiring and testing requirements of new employees and increases the number of personnel exempt from the personnel system. It also provides more flexibility in hiring contract personnel. Various public employee unions were involved in the drafting and amending of this referendum; most support it.

Referendum B:

The General Assembly also placed this constitutional amendment on the ballot. It simply repeals obsolete constitutional provisions which are no longer applicable or are inconsistent with the US Constitution. The General Assembly periodically reviews and proposes such revisions to the state constitution.